

**REQUEST FOR QUALIFICATIONS (RFQ)
FOR
Foreign Tax Compliance Services
Taiwan**

**Issued by the
State of New Jersey
Department of Treasury
Division of Investment (DOI)**

Date Issued:

Tuesday, April 26, 2011

Responses Due by: 3:00pm EST

Tuesday, May 17, 2011

**NJ Division of Investment
Foreign Tax Compliance Services RFQ - Taiwan**

I. PURPOSE AND INTENT

The purpose of this RFQ is to solicit bid proposals from advisors/consultants for tax compliance services related to DOI's investments in the local Taiwan securities market. This will be a three-year contract.

II. MINIMUM REQUIREMENTS

1. Bidder(s) must be authorized to act as a tax advisor/consultant on behalf of foreign clients who invest in the Taiwan market.
2. Attached to these specifications is a Price Sheet containing five (5) line items for tax compliance services. Bidder(s) must bid all lines (1-5) in order to be eligible for a contract award. Price lines will remain in effect for the term of the contract and any additional allowable extensions.

III. PROPOSAL SUBMISSION

An original and three (3) copies of each proposal must be marked "Foreign Tax Compliance Services RFQ – Taiwan" and addressed to:

Amanda Truppa

Proposals must be received by Tuesday, May 17, 2011 at 3:00 p.m. Eastern Standard Time to the following address:

Overnight Mail

NJ Division of Investment
50 West State Street, 9th Floor
Trenton, NJ 08608
Attn: Amanda Truppa

Regular Mail

NJ Division of Investment
P.O. Box 290
Trenton, NJ 08625-0290
Attn: Amanda Truppa

Email

Amanda.Truppa@treas.state.nj.us

NOTE: In order to be awarded a contract with the DOI, all required forms must be completed and submitted. A complete listing of all required forms is available under Section XI Required Forms.

All documents/information submitted in response to this solicitation shall be available to the general public as required by the New Jersey Open Public Records Act NJSA 47:1A-1 et seq.

**NJ Division of Investment
Foreign Tax Compliance Services RFQ - Taiwan**

Communications with representatives of the State concerning this request by you or on your behalf are not permitted during the submission and selection processes.

No telephone inquiries will be accepted. All inquiries concerning this request should be directed in writing to: Amanda.Truppa@treas.state.nj.us

The State will not be responsible for any expenses in the preparation and/or presentation of the proposals and oral interviews or for the disclosure of any information or material received in connection with the solicitation, whether by negligence or otherwise.

The State reserves the right to reject any and all proposals, with or without cause, and waive any irregularities or informalities in the proposals. The State further reserves the right to make such investigations as it deems necessary as to the qualifications of any and all firms submitting proposals. In the event that all proposals are rejected, the State reserves the right to re-solicit proposals.

IV. GENERAL INFORMATION

The DOI was created by the New Jersey Legislature in 1950. An important objective of the statute creating the DOI was to centralize all functions relating to purchases, sales or exchanges of securities for the State's diverse funds under experienced and professional management.

As of June 30, 2010, total assets under DOI management totaled approximately \$78 billion, which is comprised of the State's Pension Funds, Cash Management Fund, and various other funds. The DOI manages the assets of the Pension Funds through the use of common funds. The assets of each fund are combined and invested in the Cash Management Fund, Common Pension Fund A (Domestic Equities), Common Pension Fund B (Domestic Fixed Income), Common Pension Fund D (International Securities), and Common Pension Fund E (Alternative Investments). In addition to the common funds, DOI is responsible for managing the Supplemental Annuity Collective Trust (SACT), a portion of NJBEST (the State's 529 plan), and a portion of the Deferred Compensation Plan (DCP).

The same statute that created the DOI (PL 1950, c.270) also created the State Investment Council ("the Council") to formulate policies governing the investment of funds by the Director of DOI, and to consult with the Director with respect to the work of the Division. New regulations adopted by the Council are filed with the Office of Administrative Law and published in the New Jersey Register for public comment prior to adoption.

Implementation of investment policies is vested in the Director of the DOI. The Director is subject to the standards of prudent investment set forth in N.J.S.A. 52:18A-89. As part of the Director's fiduciary role, the Director retains the power and right to select, monitor and terminate consultants when doing so is in the best interest of the State. In making these decisions, the Director may consider many factors, including whether the consultant

NJ Division of Investment
Foreign Tax Compliance Services RFQ - Taiwan

is complying with applicable statutes and regulations, and whether the consultant is meeting the investment goals and direction established by the Council and the Director.

The legal entity that wishes to invest in the Taiwan securities market is Common Pension Fund D. Common Pension Fund D expects to have seven subaccounts: three subaccounts have transactions that are executed internally, one of which is an indexed fund; four subaccounts have external advisers who execute transactions on Common Pension Fund D's behalf. The number of subaccounts may change in the future.

V. SCOPE OF SERVICES

1. Application / Registration
 - a. Vendor shall advise on how to structure Taiwan investments and/or accounts. Vendor shall prepare and file all applicable registration forms or applications with the local government.
2. Ongoing Tax Compliance
 - a. Vendor shall maintain details of and prepare statements for tax compliance for the purchases and sales of Taiwan securities made by DOI, including shares underlying GDRs and ADRs, and for dividends and interest received from companies and the tax payable thereon.
 - b. Vendor shall calculate the capital gains tax liability.
 - c. Vendor shall issue reports to DOI's custodian regarding taxes payable or receivable.
 - d. Vendor shall issue reports to DOI's custodian regarding exempt dividends.
 - e. Vendor shall work with DOI's custodian to facilitate the payment of applicable taxes. Vendor will follow up on all assessments and refunds, if applicable.
 - f. Vendor shall provide advice on relevant tax and regulatory issues.
3. Tax Filing, Assessment, and Proceedings
 - a. Vendor shall file DOI's income tax registration.
 - b. Vendor shall prepare the Taiwan income-tax return(s) for DOI's review and shall submit the approved tax return(s) to the appropriate Taiwan tax authority.
 - c. Vendor shall initiate and complete the process to reclaim all excess taxes paid on behalf of DOI.

NJ Division of Investment
Foreign Tax Compliance Services RFQ - Taiwan

- d. Vendor shall review tax assessments issued to DOI and advise on appropriate and necessary actions for any notices received from any tax authority.
 - e. At the direction of DOI, Vendor shall make representations before the appropriate authority when necessary.
4. Appeal Proceedings
- a. Vendor shall assist in the preparation of any appeal filings for DOI's review and shall submit appeal filings to the appropriate authority.
 - b. At the direction of DOI, Vendor shall make representations before the appropriate authority for any appeal.
 - c. If necessary, and at the direction of DOI, Vendor shall assist in the appointment of counsel to represent DOI before the authorities.
5. Reporting
- a. Vendor shall, on a monthly basis, calculate income and tax expense/refund and liability/receivable to be included in the financial statements for each subaccount, and issue reports based on those calculations to DOI. Reports shall be issued by the 4th business day following the end of each month. Reports shall be issued electronically, via email or electronic account access.

VI. MANDATORY CONTENTS OF PROPOSAL

- 1. Identify any existing or potential conflicts of interest, as well as the firm's representation of parties or other relationships that might be considered a conflict of interest, that may affect or involve this assignment or the State of New Jersey.
- 2. Provide an executive summary of not more than three pages identifying the firm's approach and plans to provide the requested services and substantiating why the firm is best qualified to provide the requested services. Describe any foreign tax consulting services you have provided comparable to the duties contained in this RFQ; indicate whether this includes public pension funds and the size of the assets under management. Please address what it is that the firm offers to the State that competing firms cannot. Also describe any foreign tax consultant duties not discussed in previous sections which your firm believes have been overlooked. Discuss any associated fees.
- 3. Provide a description of resources of the firm (i.e., background, location, experience, staff resources, financial resources, other resources, etc.). Illustrate

NJ Division of Investment
Foreign Tax Compliance Services RFQ - Taiwan

the software programs used to track transactions and whether information is available by individual accounts or only in the aggregate.

4. Indicate the number of years the firm has been providing the services and how any clients are currently serviced by the firm. Further indicate the experience of the professionals who would be assigned to the engagement.
5. If the firm, or any principal, director or officer thereof, is now or has in the last three years been a defendant in any litigation involving a sum of \$100,000 or more, the subject of any professional disciplinary action, and/or is or has been the subject of any investigation, the proposal must provide a description of any such investigation, litigation and/or disciplinary action.
6. Provide the name and address of the firm, the name, telephone number, fax number, and e-mail address of individual or individuals responsible for the preparation of this proposal who may be contacted in the event of questions or notification, and the location of the office, if other than that shown above, at which the services to be provided hereunder will be performed.
7. Submit a Price Sheet in the form attached detailing the fees for each of the price lines listed.
8. Complete and submit all documents listed in Section XI Required Forms.

VII. SELECTION PROCESS

All proposals will be reviewed to determine responsiveness. Non-responsive proposals will be rejected without evaluation. Responsive proposals will be evaluated by an Evaluation Committee. The following evaluation criteria categories, separate or combined in some manner, and not necessarily listed in order of significance, will be used to evaluate proposals received in response to this RFQ.

- The firm's approach and plans to perform the services required by the Scope of Services contained in this RFQ.
- The firm's documented experience in successfully completing contracts of a similar size and scope to those required by this RFQ.
- The qualifications and experience of the firm's personnel assigned to the engagement, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the services required by this RFQ.
- The overall ability of the firm to mobilize, undertake and successfully complete the Agreement. This judgment will include, but not be limited to the following factors:

**NJ Division of Investment
Foreign Tax Compliance Services RFQ - Taiwan**

the resources of the firm; the number and qualifications of management, supervisory and other staff proposed by the firm to perform the services required by this RFQ; the availability and commitment to the Agreement of the firm's management, supervisory and other staff proposed; and the firm's contract management plan.

- The firm's cost proposal.

VIII. FEES:

Prices shall remain in effect for the duration of the term of the contract and for any mutually agreed upon contract extensions. The State reserves the right to negotiate final price with the vendor selected to provide the requested services.

IX. TERM

The term shall be for three (3) years commencing on July 1, 2011 and ending on June 30, 2014.

X. FIRM SELECTION AND CONTRACT

The State will select the proposal(s) deemed most advantageous to the State, price and other factors considered.

The contract between the State and the firm(s) shall be comprised of this RFQ, any clarifications thereof, the firm(s) response thereto, any changes negotiated by the parties and the documents listed in Section XI Required Forms. Such contract can only be modified in a writing signed by the parties.

XI. REQUIRED FORMS

The documents listed below must be completed and submitted with the bid proposal. Purchase Bureau forms can be downloaded from the Department of the Treasury website: <http://www.state.nj.us/treasury/purchase/forms.shtml>

- Waivered Terms and Conditions for Services Contracts
- Ownership Disclosure
- NJ Business Registration Form NJ-Reg
- Affirmative Action Employee Information Report
- MacBride Principles and Northern Ireland Act of 1989
- Vendor Certification – PL 2005, c.271
- Vendor Certification – PL 2005, c.51
- Source Disclosure Form (EO-129)

NJ Division of Investment
Foreign Tax Compliance Services RFQ - Taiwan

NOTE: All forms must be completed in their entirety. Vendors seeking to do business with the State of New Jersey must comply with the laws of the State.

PRICE SHEET

NOTE: The legal entity that wishes to invest in the Taiwan securities market is Common Pension Fund D. Common Pension Fund D expects to have seven subaccounts: three subaccounts with transactions that are executed internally, one of which is indexed; and four subaccounts that have external advisers who execute transactions on Common Pension Fund D’s behalf. The number of subaccounts may change in the future.

To the extent that pricing is based per sub-account and / or transaction volume, please specify.

- 1. Application / Registration-----\$_____

- 2. Ongoing Tax Compliance-----\$_____

- 3. Tax Filing, Assessment, and Proceedings-----\$_____

- 4. Appeal Proceedings-----\$_____

- 5. Reporting-----\$_____

- 6. Additional duties -----\$_____